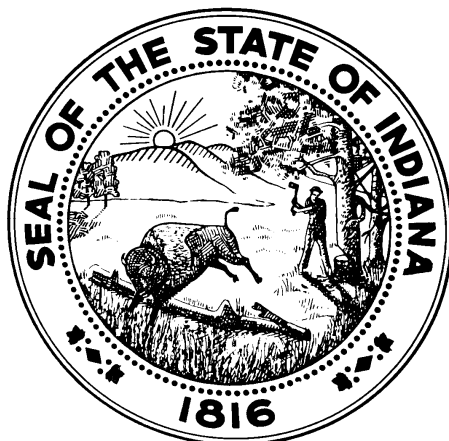


**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2769**

EXAMINATION REPORT  
OF

BARTHOLOMEW COUNTY SOLID  
WASTE MANAGEMENT DISTRICT  
BARTHOLOMEW COUNTY, INDIANA

January 1, 2006 to December 31, 2007



**FILED**  
12/10/2008



## TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials .....	2
Independent Accountant's Report.....	3
Financial Information:	
Schedules of Receipts, Disbursements, and Cash and Investment Balances .....	4
Notes to Financial Information .....	5-6
Supplementary Information:	
Schedule of Capital Assets.....	7
Examination Result and Comment:	
List of Employees Not Filed With County Treasurer .....	8
Exit Conference.....	9

## OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	James Murray	01-01-06 to 12-31-08
Controller	Kay Wang Diana Hodnett	01-01-06 to 06-23-06 06-24-06 to 12-31-08
President of the Board	Keith Sells	01-01-06 to 12-31-08



# STATE OF INDIANA

AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
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## INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE BARTHOLOMEW COUNTY SOLID WASTE  
MANAGEMENT DISTRICT, BARTHOLOMEW COUNTY, INDIANA

We have examined the financial information presented herein of the Bartholomew County Solid Waste Management District (District), for the period of January 1, 2006 to December 31, 2007. The District's management is responsible for the financial information presented herein. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial information presented herein and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the financial information referred to above presents fairly, in all material respects, the financial information of the District for the years ended December 31, 2006 and 2007, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Capital Assets, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the basic financial information. It has not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

October 2, 2008

BARTHOLOMEW COUNTY SOLID WASTE MANAGEMENT DISTRICT  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES  
As Of And For The Years Ended December 31, 2006 And 2007

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
Solid Waste Management (General)	\$ 888,948	\$ 6,825,263	\$ 6,690,211	\$ 1,024,000
Cash Imprest Funds	445	-	-	445
State Grants	-	12,230	9,883	2,347
Cell Closure/Post Closure	1,022,737	61,365	-	1,084,102
Property Value Guarantee	89,264	172,237	13,081	248,420
Fiduciary Fund:				
Payroll	100	536,200	536,200	100
Totals	<u>\$ 2,001,494</u>	<u>\$ 7,607,295</u>	<u>\$ 7,249,375</u>	<u>\$ 2,359,414</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Solid Waste Management (General)	\$ 1,024,000	\$ 4,355,062	\$ 4,102,539	\$ 1,276,523
Cash Imprest Funds	445	50	-	495
State Grants	2,347	24,567	23,983	2,931
Cell Closure/Post Closure	1,084,102	464,737	-	1,548,839
Property Value Guarantee	248,420	-	-	248,420
Fiduciary Fund:				
Payroll	100	552,755	552,755	100
Totals	<u>\$ 2,359,414</u>	<u>\$ 5,397,171</u>	<u>\$ 4,679,277</u>	<u>\$ 3,077,308</u>

The accompanying notes are an integral part of the financial information.

BARTHOLOMEW COUNTY SOLID WASTE MANAGEMENT DISTRICT  
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The District was established under the laws of the State of Indiana. The District oversees solid waste disposal in Bartholomew County.

Note 2. Fund Accounting

The District uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the District in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the District on or prior to December 31 of the year collected in the year 2007 only. December 2006 final distribution of \$36,671 was not made until January 22, 2007.

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the District to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

BARTHOLOMEW COUNTY SOLID WASTE MANAGEMENT DISTRICT  
NOTES TO FINANCIAL INFORMATION  
(Continued)

Note 6. Pension Plan

Public Employees' Retirement Fund

Plan Description

The District contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system, and give the District authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Public Employees' Retirement Fund  
Harrison Building, Room 800  
143 West Market Street  
Indianapolis, IN 46204  
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of PERF.

The District is a part of Bartholomew County's plan.

Note 7. Subsequent Events

In January 2008, the District awarded a contract to Rust Construction Inc., for site improvements at the Bartholomew County Landfill II. It is an expansion of cell #2C (3.3 acres). The contract was awarded for \$686,654.82 and was completed in September of 2008.

Mr. Matt Elligood is disputing \$49,412.50 in gate fees which he incurred to dispose of Golden Foundry. The District waved the fees until May 1, 2008. After that date, if the job was not completed, the District could charge him for past gate fees which were incurred. These fees were applied to Mr. Elligood's account on July 1, 2008. Mr. Elligood is now stating that this amount cannot be correct due to the lack of scales at the particular site he utilized. However, the District estimates the amount of each load and reports these amounts to the state. This dispute is in discussion between attorneys for both parties.



BARTHOLOMEW COUNTY SOLID WASTE MANAGEMENT DISTRICT  
SUPPLEMENTARY INFORMATION  
SCHEDULE OF CAPITAL ASSETS

For The Year Ended December 31, 2007

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 10,463,328
Infrastructure	15,967
Buildings	593,335
Machinery and equipment	1,119,194
Transportation equipment	<u>106,133</u>
Total governmental activities, capital assets not being depreciated	<u><u>\$ 12,297,958</u></u>

BARTHOLOMEW COUNTY SOLID WASTE MANAGEMENT DISTRICT  
EXAMINATION RESULT AND COMMENT

LIST OF EMPLOYEES NOT FILED WITH COUNTY TREASURER

Some officials or employees of the District had money due from the District, but a list of such employees was not certified to the County Treasurer.

Indiana Code 6-1.1-22-14(a) states in part: "On or before June 1 and December 1 of each year . . . the disbursing officer of each political subdivision . . . shall certify the names and addresses of each person who has money due from the political subdivision to the treasurer of each county in which the political subdivision is located."

BARTHOLOMEW COUNTY SOLID WASTE MANAGEMENT DISTRICT  
EXIT CONFERENCE

The contents of this report were discussed on October 7, 2008, with Diana Hodnett, Controller; James Murray, Director; and Keith Sells, President of the Board. The officials concurred with our finding.